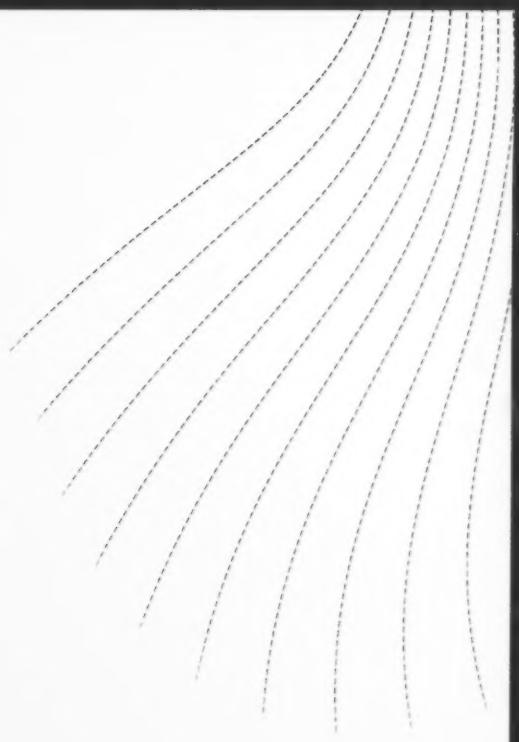
Creating Opportunities Consultations

TASK FORCE PUBLIC REPORT



Manitoba

LETTER FROM THE MINISTER

Last winter, I announced a consultation process to talk to Manitobans about capturing new economic opportunities in rural and northern Manitoba. These consultations, called "Creating Opportunities", were designed to build on the success of our Growing Opportunities (GO) initiative – a reorganization of the Department of Agriculture, Food and Rural Initiatives to place greater emphasis on value-adding and rural economic development.

As a government, we recognize that agriculture is changing. While this presents challenges, it also presents tremendous opportunity. We want to work with rural and northern Manitobans to cultivate economic opportunities that go beyond primary production. By adding value to some of our tremendous assets, we can create new enterprise in areas such as value-added processing, alternative energy, tourism, natural resource development, services and manufacturing, and agriculture.

I'm pleased to report we're already making significant progress toward our goal. Manitoba Agriculture, Food and Rural Initiatives offices have been redeveloped as GO Offices and GO Centres, with staff specialists focusing on the specific needs of the communities they serve. Economic development officers have been hired for each of the province's ten GO Teams.

I'm proud of the work our government has already done to help strengthen Manitoba's rural and northern communities with innovative initiatives that drive economic growth by taking advantage of the rich resources our communities have to offer.

In the past year alone, our government has announced:

- detailed plans for an additional 300 megawatts of wind power, or enough to power 100,000 homes, building on the $200-million 99-megawatt wind farm at St. Leon that will deliver $9 million in local landholder payments over the life of the project;
- a comprehensive biodiesel action plan that will boost opportunities for biodiesel production in the province, including the recent doubling of the biodiesel tax incentive;
- the 200-megawatt Wuskwatim generating station near Nelson House, which will create nearly 800 jobs over the next six years;
- $6.6 million invested under the Canada-Manitoba Economic Partnership Agreement to support the growth of an internationally competitive composites industry in Manitoba;
- the $145-million ethanol plant in Minnedosa, now under construction, that will enhance opportunities for producers and create new jobs;
- 374 new cottage lots to promote tourism and economic activity in rural and northern Manitoba, fulfilling our commitment of 1,000 new cottage lots;
- $1 million for Trans Canada Trail development in Manitoba to promote tourism and recreation opportunities;
- ongoing financial support for Regional Development Corporations to promote regional initiatives in community and business development;

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- a new $420,000 four-year funding package to Junior Achievement Manitoba to support young entrepreneur programs across the province;
- new scholarship funds at the University of Manitoba and Brandon University to support Manitoba's next generation of community economic development and agricultural leaders;
- a new trade enhancement agreement with the western provinces to strengthen the interprovincial trade process for Manitoba's agri-food companies;
- continuing support for the Port of Churchill and the crucial role that the Canadian Wheat Board's single desk plays in the ongoing viability of the port;
- new initiatives to promote the production and availability of healthy, affordable food under the province's Northern Healthy Foods Initiative;
- expansion of the University College of the North to provide new courses and new opportunities in the North.

I attended a number of the Creating Opportunities consultations, and I was very pleased to see the optimism and creativity that's present in rural and northern Manitoba. I heard very clearly that while there are barriers to overcome in achieving new economic opportunities, by working together and being innovative there's no end to what we can accomplish. I hope that this document will help to continue important dialogue that was begun by this consultation process.

I want to sincerely thank the Creating Opportunities committee members and all the Manitobans who took the time to participate in the consultation meetings or to send a written submission.

Our government believes that the future for rural and northern Manitoba is bright. We are committed to working with people and communities across the province to develop new opportunities that will ensure our communities remain strong, economically vibrant, and ready to meet future challenges.

Rosann Wowchuk
Minister of Agriculture,
Food and Rural Initiatives

INTRODUCTION

On January 17th, 2006, Minister Rosann Wowchuk announced she would conduct a series of public consultations to explore the opportunities that exist to add value to rural and northern Manitoba assets. This followed the recent Growing Opportunities re-organization of Manitoba Agriculture, Food and Rural Initiatives (MAFRI) that was designed to help MAFRI focus on capturing rural economic development opportunities in the areas of value-added processing, bio-energy, biofibre, agri-tourism, among other opportunities for development.

I was on a panel with Gaye Lenderbeck, (Roblin), Paul Gregory, (Fisher Branch), and Tom Nevakshonoff, (MLA for the Interlake). We held town hall sessions to gather input on what opportunities exist and how to overcome the barriers that prevent the community from creating value-added enterprises. Public consultations also attempted to pinpoint who could do what in working towards the goal. Public consultations were held in 10 communities throughout the province; most of which were within a couple of hours travel time for most Manitobans.

We heard about many initiatives, both ongoing and envisioned, that are being driven by private citizens, communities, clubs, industries, chambers of commerce, economic development organizations, and all three levels of government. We heard stories of both success and frustration, but always with an undertone of optimism. Most importantly, we saw that Manitobans were eager to be heard, and to participate in building our province's future.

As a panel, we were struck by the energy present in those who came out for the discussions and how passionate people were about the communities they lived in. Discussion was spirited and enthusiastic, often allowing those present to see their town or surrounding area in a whole new light. Many participants said they would like to get together more often to continue to generate ideas and strategies to strengthen their communities.

I would like to thank the panel members for the time, ideas and energy that they devoted to the consultations. I would also like to thank the 337 participants who attended the consultations and provided such valuable feedback. Our hope is that this report will provide a road map to what can be done and how the goal of adding value to the assets of our communities can be achieved.

Thank you,
Susan Proven
Chairperson

EXECUTIVE SUMMARY

INTRODUCTION

Rosann Wowchuk, Minister of Manitoba Agriculture, Food and Rural Initiatives, appointed the Creating Opportunities Committee in January 2006. The intent was to have committee members meet with rural and northern Manitobans about opportunities to add value to Manitoba's numerous natural, cultural and physical resources. The committee was also asked to make recommendations to government, communities and industry on how these opportunities can be realized and how to address existing barriers that may hinder these opportunities.

PROCESS

The Creating Opportunities Committee held consultations in 10 rural and northern communities in the first three months of 2006:

- The Pas – January 30
- Swan River – January 31
- Teulon – February 9
- Souris – February 16
- Shoal Lake – February 16
- Gladstone – February 17
- Ste. Anne – February 21
- Morden – February 22
- Ashern – March 2
- Churchill – March 17

Consultations with economic development practitioners were held on January 26, 2006 and with industry on February 21, 2006. Fourteen written submissions were received by the committee during the consultation process.

After meeting with community groups and reviewing the feedback from participants, the committee began to identify the themes of opportunities and challenges. It developed recommendations to provide communities, governments and industry with ways to address the opportunities and barriers.

This report identifies the six themes of value-added opportunities that were consistently identified in the consultations:

1. alternative energy
2. tourism
3. agriculture
4. natural resources
5. industry – services and manufacturing
6. Aboriginal and northern

The report also identifies barriers to these opportunities under the following general themes:

1. financial
2. human resources
3. community capacity
4. infrastructure
5. regulations

The remainder of the report has been divided into sections that focus on each of the opportunity themes. An overview of each opportunity is presented, followed by a list of challenges that were identified by participants. Finally, a set of recommendations is provided. The recommendations are intended as general guidelines to promoting the opportunity and reducing or removing barriers. Many of the recommendations will continue to require the active participation of governments, communities, industries, and/or private citizens.

The report and summarized notes from all public consultation sessions are available online at www.manitoba.ca/agriculture

COMMITTEE

THE COMMITTEE

The Creating Opportunities Committee consisted of three private citizens and a MLA.

Left to right: Tom Nevakshonoff, Susan Proven, Paul Gregory and Gaye Lenderbeck

Susan Proven

Susan lives northwest of Minnedosa and owns Fairmount Bed and Breakfast. She markets a variety of home grown processed products as well as lamb directly to consumers. She is also a member of the Manitoba Rural Adaptation Council.

Paul Gregory

Paul is from Fisher Branch where he operates Interlake Forage Seeds. The family operation has diversified into honey production, leafcutter bees, forage and native seed crops. They process over twenty species of crops for both the organic and conventional seed trade.

Gaye Lenderbeck

Gaye is from Roblin where she and her husband Don farm 2,000 acres of grain and pasture land in addition to a 320 head commercial cow/calf operation. Gaye is a Director of Rancher's Choice Beef Co-op, Past Chair of the Shell River Water Quality Board and was a Municipal Councillor for the R.M. of Shell River.

Tom Nevakshonoff

Tom is the MLA for the Interlake and lives in Poplarfield. Tom is currently president of a family owned lodge and fishing camp in Flin Flon. His knowledge of tourism and concerns for natural resources bring new ideas and perspectives to the issues facing Manitobans.

THE PROCESS

From January to March 2006 the Creating Opportunities Committee held consultations in 10 rural and northern Manitoba communities. They also discussed adding value to the rural and northern economies with economic development practitioners and industry representatives; and received written submissions on relevant topics.

We heard about many current and future initiatives planned, that are being driven by private citizens, communities, clubs, industries, chambers of commerce, economic development organizations and all three levels of government. We heard stories of success and frustration, but all showed an undertone of optimism. Most importantly, we saw that Manitobans were eager to be heard and participate in building our province's future.

In reviewing the value-added economic opportunities identified during the consultations, six themes emerged:

1. alternative energy
2. tourism
3. agriculture
4. natural resources
5. industry – services and manufacturing
6. Aboriginal and northern

At the same time, the committee noted what Manitobans felt were barriers to the realisation of these opportunities. These challenges fell under five general themes:

1. financial
2. human resources
3. community capacity
4. infrastructure
5. regulations

This report has been divided into sections that focus on each of the themes. An overview of each opportunity is presented, followed by a list of challenges that were identified by participants and a set of recommendations. The recommendations are intended as general guidelines to promote the opportunity and reduce or remove barriers. Many of the recommendations will continue to require the active participation of governments, communities, industries and/or private citizens.

ALTERNATIVE ENERGY

OPPORTUNITIES

Opportunities in alternative energy production were heard consistently throughout the consultations:

- ethanol
- methane gas
- other biomass fuels
- solar power
- wind
- biodiesel
- hydrogen

There were a wide variety of energy opportunities in the province, from rendering animal fat and turning canola into biodiesel in Gladstone to biomass and pellet opportunities in Morden. Many Manitobans are interested in turning our energy advantages into opportunities for their communities. Agricultural producers are especially affected by opportunities that rely on converting agricultural products into energy, or by projects such as wind farms that require large areas of land.

Manitobans were supportive of existing provincial initiatives to promote alternative energy and harness energy from wind, ethanol and biodiesel, and conservation programs such as Manitoba Hydro's Power Smart program. They also indicated there is more governments, communities and industry can do to realize the advantages of using Manitoba's resources to produce alternative energy.

The Creating Opportunities Committee toured the St. Leon's wind farm and saw the potential for revenue creation for rural communities as well as individual landowners. St. Leon receives annual funds from the wind farm corporation that operates in the area. This money is used for local and regional economic development projects. There also has been an increase in tourism as people are drawn to visit this unique project.

CHALLENGES

- *Financial* – Participants spoke about their need for equity financing to develop the infrastructure needed for biodiesel projects, wind development and other opportunities. This is because high-capital ventures often exceed the investment capacity of local residents.
- *Human Resources* – There is a lack of skilled labour available for current alternative energy projects, which could hamper the communities' efforts to develop future projects. Communities want more local training and apprenticeship, to ensure projects can be serviced.
- *Community Capacity* – Participants indicated they felt the ability of communities to develop bio-energy opportunities is often affected by demographics such as aging and decreasing populations. Local projects can be hampered by a lack of local leadership, vision, confidence, or teamwork. Communities across Manitoba are struggling to find ways to promote local co-operation and work together with other communities to address these problems on regional levels.
- *Infrastructure* – Some alternative energy production industries may need expansion of existing infrastructure, such as upgrades to roadways, to accommodate heavy trucks.
- *Regulations* – There is a need for more regulations in some areas such as composting and burning of specific risk materials (SRMs). There's also a need to examine outdated regulations that may unnecessarily restrict alternative energy development. Some participants felt that local producers of electricity should be allowed to connect to the existing electrical grid and enter into a standard price contract to sell electricity to Manitoba Hydro.

RECOMMENDATIONS

Communities, governments and industry should work together to:

- Develop policies that would simplify and encourage the participation, development and ownership of alternative energy production by agricultural producers and communities *(Ex. wind, biogas, and biodiesel)*.
- Investigate capital support and/or tax credits to encourage participation in bio-energy development.
- Create a research fund to explore new alternative energy production in the areas of gasification, wind, biogas, etc.
- Strengthen the identification of labour/skills requirements, human resource planning and business development planning to meet rural human resource priorities in the alternative energy sector.
- Work with Manitoba Hydro to be proactive in developing alternative energy opportunities that benefit rural and northern economies.

TOURISM

OPPORTUNITIES

The tourism industry in Manitoba continues to be a strong economic driver in the province. Manitoba boasts a number of natural resources and attractions that tourists from across the province, Canada and many foreign countries are drawn to. Tourism in Manitoba generates an estimated $1.4 billion a year to our gross domestic product, sustains over 18,000 direct jobs and supports over 5,500 businesses.

The ability to add further value to tourism assets depends on our ability to meet the demand for specific types of tourism experiences. Opportunities in experiential tourism and the need to better package experiences for specific target markets is key. Some of these experiences include ecological, heritage, lifestyle, agriculture and culinary tourism and recreational activities such as trails for walking, biking, etc.

Other opportunities identified during public consultations included:

- further cottage developments
- year-round tourism
- snowmobiling
- sport fishing
- promotion of smaller tourism attractions

CHALLENGES

- *Financial* – Entrepreneurs and small businesses in the tourism industry are faced with the same difficulties in accessing financing as businesses in other sectors of the rural economy.
- *Human Resources* – Tourism operators could benefit from local customer service training programs. There is some need for increased community awareness about keeping tourist services open during holidays.
- *Community Capacity* – Individual communities may lack the facilities and expertise to accommodate larger events and out-of-province visitors.
- *Infrastructure* – There is a shortage of tourism infrastructure, such as recreational facilities, high-speed Internet and food and lodging services. Maintenance of existing infrastructure is also a concern. Some improvements to the highways and rail lines and services to highway travellers are essential to promoting Manitoba and attracting visitors.
- *Regulations* – The quality and consistency of tourism accommodations in Manitoba is important to product development and marketing. The lack of workable industry standards makes it difficult for tourists to assess the quality of Manitoba accommodations when booking their trips. Some government regulations may limit tourism businesses. *(Ex: Food processing regulations may make it difficult to develop local food products to market to tourists)*
- *Other Barriers* – The nature of tourism marketing is changing. There is heavier emphasis on the use of the Internet to promote products. The tourism industry needs to increase marketing skills and efforts. Small operators with limited budgets find it difficult to expand their tourism products due to the lack of affordable and co-operative marketing opportunities. Opportunities exist to promote tourism experiences that are not currently being packaged by operators. In communities where tourism is seasonal, there is a desire to find ways of promoting off-season tourism.

RECOMMENDATIONS

Governments, communities and the tourism industry work together on several fronts to:

- Continue to develop and promote travel guides for distribution provincially, nationally, and internationally that highlight the year-round tourism and recreational opportunities offered throughout the province.
- Encourage co-operation between small entrepreneurs and artisans, recreational and cultural facilities, and the accommodation and restaurant industries to create promotional tourism packages that focus on recreational and tourism experiences.
- Research web-based marketing techniques and help tourism operators build capacity to effectively market on the Internet.
- Work with private land owners to identify and develop new tourism opportunities that take advantage of Manitoba's cultures, vast rural landscape, local climate and ecosystems.
- Develop, maintain and promote regional or provincial trail systems for year-round use, and encourage tourism business development around them.
- Explore the concept of public goods and services that support tourism assets and the potential for economic development and revenue generation. *(Ex. Develop policies and programs to encourage development of trails and other recreational resources on private land for public use)*
- Continue to open up and offer cottage lot development opportunities across the province.

AGRICULTURE

OPPORTUNITIES

Manitoba's agri-food semi-processed or processed exports increased by 134 per cent between 1995 and 2004. The total 2004 value was $1.643 billion. Adding value to agricultural commodities needs to continue to be a priority for Manitoba. Increased value-added, marketing and promotion will improve our rural and northern economies as well as our urban economy. Value chains that connect producers with local markets promote sustainability and food security.

Rural Manitobans want to add value to our agricultural commodities. Producers and communities want to play an active role in processing products, so they can share in the economic benefits.

Creating Opportunities participants identified several key areas as important to the future of agriculture in Manitoba, including development of new industries or expansion of existing industries such as:

- nutraceuticals and functional foods
- horticulture
- livestock production and meat processing
- organic agriculture
- aquaculture
- niche and non-traditional commodities
- native plant production and processing

Participants also mentioned a number of tools to help businesses and communities with marketing and promotion of opportunities:

- cooperatives
- value chains
- support for existing supply management systems
- MAFRI GO Teams (extension services, business development and community development)
- Regional Development Corporations
  Community Futures Development Corporations
  Community Development Corporations

CHALLENGES

- *Financial* – Family farm operators struggling with low returns, find it difficult to invest in new opportunities. Manitoba producers and processors are being forced to be more competitive in the marketplace. While agricultural production is growing as a result of industrialization and technological advancements, producers find input costs are increasing and net farm incomes are decreasing.
- *Human Resources* – There is a need for trained personnel to support specialized processing industries such as abattoirs. There is also a shortage of skilled and unskilled labour in some rural communities.
- *Community Capacity* – Manitobans are not taking full advantage of the opportunities that exist for non-traditional agricultural production and processing. They indicated a need to develop stronger community visions for the future.
- *Infrastructure* – Other jurisdictions are using or considering a value chain approach to secure and maintain markets and margins. There is some concern about the lack of meat processing capacity, (especially for beef) and associated facilities.
- *Regulations* – There is a desire for input into regulatory processes and support in meeting regulatory requirements. Organic producers and processors are limited by the lack of regulations at a national level.
- *Other Barriers* – There is a need for marketing training, so producers can explore opportunities to promote their produce directly to consumers. Lack of awareness of Manitoba products (branding) limits our agricultural industry in competing more effectively with other jurisdictions. There is also a need for more education on cooperative models to encourage producers to consider investing in them.

RECOMMENDATIONS

Governments and communities should co-operate with producers and processors, to encourage and support several initiatives to:

- Develop and commercialize new agricultural manufacturing, processing and service opportunities to bring new research projects to market.
- Research and develop new industrial opportunities with particular focus on underused agricultural products such as biomass materials.
- Develop a value chain strategy that emphasizes:
  - *organizational models, such as co-ops, to allow producers to capture greater profits in the supply chain*
  - *increased and enhanced value-added opportunities, profitability and a fair return for Manitoba producers and processors.*
- Encourage co-operation between producers, researchers, and industry to explore and develop new opportunities, and provide the workforce with the necessary skills to adapt to the new economy.
- Market Manitoba products by branding and promoting products to both local and external markets, and increasing marketing training for rural entrepreneurs.
- Develop national organic standards in co-operation with the Canadian Food Inspection Agency.
- Develop truth in labelling laws and regulations with the federal government.
- Work with Manitoba Labour and Immigration to address the human resource needs in the agriculture sector by linking labour demands with under and unemployed skilled immigrants in Winnipeg and off-shore recruitment through Manitoba's Provincial Nominee Program.

NATURAL RESOURCES

OPPORTUNITIES

The consultations revealed that sustainable development of natural resources such as forestry, minerals, non-timber forest products, wild fisheries and water resources is a priority for rural and northern Manitobans.

The Manitoba forest industry has more than 250 firms that ship wood products valued at $615 million and directly employ more than 7,000 people. The Manitoba Agro Woodlot Program helps producers integrate agro-forestry practices into their farming operations. Many commercial opportunities for non-timber forest products have been identified and more are being developed.

Manitoba is home to a strong commercial fishery that harvests a limited number of species, most of which are semi-processed. The opportunity to capture value from unused or underused fish species was of special interest. There could be other uses for fish, such as specialty canning, products from fish remains (Ex: fish skin leather), fertilizer, fish oil/nutraceuticals, pet food, etc.

Water resource and drainage issues are a priority for rural residents, particularly in the southern agricultural area of the province. The consistency of supply for agricultural commodities in wet and dry conditions is essential to farm profitability and commodity supply to value-added businesses. Many people are concerned about water issues and the challenge is addressing them in a way that stimulates economic development. Two examples of this are:

- development of engineered wetlands for sewage treatment
- the use of native grasses in drainage infrastructure

CHALLENGES

- *Financial* – The development of resources in remote areas can be hindered by costs associated with extending infrastructure and recruiting, transporting and supplying employees.
- *Human Resources* – There is a need for local educational and training facilities, especially for technical skills.
- *Community Capacity* – There is a desire for more involvement by communities in local resource development decisions. In communities that rely strongly on a single resource or industry, residents worry that a single factor such as declining market prices for a resource, or a company closing its local operations could devastate the community.
- *Infrastructure* – Lack of transportation infrastructure can discourage development of some natural resources, by hindering access to the area or transportation of the harvested resource.
- *Regulations* – Regulations on environmental protection are sometimes too sweeping, and do not make sufficient allowances for local or regional variations.

RECOMMENDATIONS

Governments, communities and industry should facilitate sustainable development of natural resources by:

- Creating opportunities to expand timber harvesting, by promoting woodlots on private land, development of co-operative processing initiatives and facilitating access to timber quotas by small forestry companies.
- Supporting continued development for non-timber forest products.
- Exploring processing opportunities for underused fresh water fish species.
- Encouraging sustainable water management strategies to facilitate more profitable agricultural production; to ensure the availability of water for both value-added production and community use; and to support benefits such as the creation of recreation and tourism assets.

SERVICES AND MANUFACTURING

OPPORTUNITIES

A number of opportunities exist to develop specific industries that haven't been mentioned elsewhere in this report. Manitoba is uniquely situated to provide manufactured goods and services to the mining and oil and gas industries in western Canada, the United States and the world. Manitoba's advantages include a strong equipment manufacturing base, lower operating costs and greater availability of skilled labour. Other opportunities identified included manufacturing goods with recycled materials, winemaking from Manitoba-produced fruit, micro-brewing and natural cemeteries.

Rural Manitobans are generally excited by the opportunities to develop new industries and expand existing industries in their communities. However, individuals and communities sometimes find that acting on these opportunities is a daunting task; they need access to the knowledge and resources that can help them.

CHALLENGES

- *Financial* – Research, development and marketing costs can be a barrier to innovative industries. Funding is needed to develop businesses past the feasibility study stage. A shortage of local risk capital and equity funds is a limiting factor.
- *Human Resources* – Potential entrepreneurs need access to training and advice on starting a business. Some existing, small rural industries have staff that need training in areas such as human resources, management, and the use of technology. The availability of qualified tradespeople is also of concern to the development and growth of manufacturing businesses. Housing availability and costs are also barriers to attracting employees.
- *Community Capacity* – Local demographic factors, such as rural depopulation and aging, or under trained workforces, can hinder the attraction of new businesses and the retention and growth of existing value-added businesses.
- *Infrastructure* – High-speed Internet and cellular phone coverage for rural residents is becoming increasingly important to developing new opportunities. The quality or extent of road, rail and sea transportation infrastructure is also a barrier to developing some industries. Individual communities may find it difficult to provide the infrastructure needed by major industries.
- *Regulations* – In some cases, regulations limit the potential for development of some specialized enterprises and in others, stronger regulations are needed to keep consumers safe. There is also a desire for streamlined delivery of information, so that information on new regulations reaches the public, and information on all regulations on specific industries can be obtained through a single contact.

RECOMMENDATIONS

Governments, communities and industries should work together on several fronts to:

- Research, develop and commercialize new industrial opportunities with particular focus on opportunities for the local manufacturing of specialized equipment needed by existing and future industries.
- Develop a skilled rural workforce by
  - promoting high school vocational training and post-secondary education to provide a skilled workforce for local industries
  - attracting professionals and skilled immigrants to rural communities.
- Explore ways to support small business development by simplifying regulations and/or creating programs that place newer or small industries on an equal footing with larger, established industries.
- Examine present transportation infrastructure for barriers to the movement of value-added products to markets and strategies to address those barriers.
- Explore ways to help in project management and implementation for community economic development projects.

ABORIGINAL AND NORTHERN

OPPORTUNITIES

Members of northern and Aboriginal communities have issues similar to other rural communities. However, the history and traditions of these communities and Manitoba's geography create opportunities and challenges that may benefit from co-operation between communities and government. There is huge potential in the untapped human and natural resources in northern Manitoba. While some communities suffer from labour shortages, others struggle with under-employment.

Communities stated their desire to become less dependent on single industries. Residents in these communities see potential for tourism development that takes advantage of a unique history, culture and landscape. Opportunities for further development include scientific research, harvesting and processing of non-timber forest products and local manufacturing *(Ex. food and building materials)* to replace expensive imports.

Churchill's deep sea port, rail terminal and airport create transportation-related opportunities for the region, including expanding Churchill's role as a transportation node, and the possibility of developing inland terminals for shipping to and from Churchill.

With a cruise ship making a stop in Churchill in July 2006, and the Arctic sovereignty plan of the current federal government, community leaders are optimistic that additional opportunities will help strengthen the northern economy.

CHALLENGES

- *Financial* – For remote communities, access to capital, transportation and labour costs can be a challenge for development of new industry.
- *Human Resources* – There is a need for local educational/training facilities, especially for delivering training currently needed by local employers.
- *Community Capacity* – Co-operation and communication between communities is needed. Smaller communities sometimes lack the resources to pursue development opportunities.
- *Infrastructure* – Many communities rely on a single employer. Local transportation infrastructure (road, rail or port) needs to be improved, to provide access to resources and accommodate the shipping requirements of new industries.
- *Regulations* – Transportation, marketing, licensing and other regulations are not flexible enough to accommodate new development opportunities, and information on regulations is not reaching the public.

RECOMMENDATIONS

Governments, communities and industries should work together on several fronts to:

- Foster dialogue and co-operation between neighbouring communities. Encourage opportunities for people to interact with and learn the history and culture of other communities, with a focus on matching local initiatives to regional needs.
- Explore development of the Port of Churchill as an intermodal transportation hub and opportunities for additional inland feeder hubs.
- Encourage harvesting and processing of non-timber forest products and other local products *(Ex. wild rice, mushrooms, birch syrup, maple syrup, maple liquor, mint tea, herbs, spices and berries)*.
- Encourage locally developed substitutes for expensive imported products *(Ex. food and building materials)*.
- Examine opportunities to deliver more training programs using underused community facilities, with a particular focus on youth and communities with high unemployment.
- Develop training programs that have the flexibility to quickly adapt to changing local needs.
- Review regulations *(Ex. transportation, marketing, licensing)*, to simplify regulations where possible and identify ways to clearly communicate regulations to the public.

APPENDIX A:
WRITTEN SUBMISSIONS RECEIVED BY THE COMMITTEE

In addition to participating in the public consultations, communities, individuals, organizations and businesses were invited to share their ideas with the committee by providing written submissions. Contributors were asked to address the same set of questions posed at the public consultations. The following is a list of contributors.

CONTRIBUTORS

Stonewall & District Innovative Crops Committee

Glen Koroluk, Manitoba Research Alliance

Teri Nicholson, Economic Development Officer, Shoal Lake Regional Community Development Corporation

Derek McLaren, Manitoba Starch Products

Dr. Jim Irwin, Manitoba Country Vacations Association

Sam and Paulette Crampton, Crampton's Manitoba Made

Robert Annis, Director, Rural Development Institute

Jim Hoger, Prairie Spirit School Division (Treherne Collegiate)

Glory Schultiess, Interlake Women's Business Owners Association Inc.

Beth Peers

Jennifer Lamb

Ron Rudiak

Jim Campbell

Grant Rigby

APPENDIX B:
DATES AND LOCATIONS OF PUBLIC CONSULTATIONS

Communities, individuals, organizations and businesses were invited to share their ideas with the committee at public consultations. The following is a list of the consultation meeting locations and dates.

DATE	MEETING	LOCATION
January 26	Consultation with Economic Development Practitioners	Manitoba Legislative Building, Winnipeg
January 30	The Pas Public Consultation	Wescana Inn, The Pas.
January 31	Swan River Public Consultation	Swan River Legion Community Hall, Swan River
February 9	Teulon Public Consultation	Teulon Golf Club, R.M. of Rockwood
February 16	Souris Public Consultation	Souris & Glenwood Memorial Complex, Souris
February 16	Shoal Lake Public Consultation	Shoal Lake Community Hall, Shoal Lake
February 17	Gladstone Public Consultation	Gladstone Elks Hall, Gladstone
February 21	Ste. Anne Public Consultation	Club Jovial, Ste. Anne
February 21	Industries and Commodity Organizations Consultation	Manitoba Legislative Building, Winnipeg
February 22	Morden Public Consultation	Morden Recreation Centre Hall, Morden
March 2	Ashern Public Consultation	Ashern Legion Hall, Ashern
March 17	Churchill Community Leaders Consultation	Churchill

The summarized notes from all public consultation sessions are available at www.manitoba.ca/agriculture